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Executive Registry

64-7932/b

30 DEC 1964

Lt. General Joseph F. Carroll, USAF
Director
Defense Intelligence Agency
Washington, D. C.

Dear Joe:

This responds to your letter of 2 December, and to our subsequent conversations. I have now reviewed in detail the evolution of NPIC from December 1962 to date, reflecting, of course, on our exchange of views in the spring of 1963 and noting with particular interest your recent exchange of correspondence with NPIC and the account of the meeting between you and Lundahl.

In April 1963 you concurred in the principles set forth in the DCI's memo to the Secretary of Defense of 6 December 1962 which, among other things, established an organization into which both CIA and DIA would place PI's to perform the national exploitation. It was recognized at that time that these PI's would be under the functional control of the Director, NPIC, but remain administratively responsible to their parent organizations, and in your memo you took cognizance of the fact that different administrative arrangements would have to be made. With your help and the corraling of the various military service forces into a single contingent we were able to progress from the so-called "ad hoc" manner of performing PI readout to the establishment of a permanent organization and have operated in this manner, with relatively minor changes, ever since. The results, I think, speak for themselves.

I firmly share your view of the current and, indeed, continuing national dependence upon NPIC as an agency of common concern. Any change in current practices then is a matter of management judgment as to just what course will maintain at maximum level the capabilities of NPIC.

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Before turning to some of the specific factors involved in this decision, I want to touch briefly on a point which you mentioned in your letter and which has arisen on other occasions and this concerns Art Lundahl's dual role as Director, NPIC, and head of the CIA departmental photographic intelligence effort. The CIA departmental effort is a drop in the bucket compared to the holdings of the military services and DIA and is, for reasons of economy and efficiency, housed wholly within [redacted] It is the element from which we have drawn the PI's to work in the national arena and has, over and above this, supported in many ways the national effort in times of crisis and severe strain. It serves also as the CIA administrative recruitment base to go out into the market and attract young professionals to this type of work. As you well know, the Agency has no built-in supply of PI's and must literally recruit people out of the universities and companies and train them for this type of work. Now it made sense to me two years ago and it continues to today to have Lundahl serve as head of both the national center and the CIA effort since by so doing he is:

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1. Not put in the awkward position of competing with another element of CIA to attract and recruit PI's.
2. In control of the administrative base from which PI's are assigned to the national center.
3. More closely able to monitor the efforts of both and ensure, at least between these two elements, as little duplication as possible.

His orders are today, as they have always been, to provide first and foremost for the national effort and I feel he has carried out those instructions. In my judgment, and in his, his dual role has been in the past and will continue to be in the future a positive asset to the national exploitation program.

I have gone into the rotation policy practiced by CIA in depth and the following points stand out clearest to me:

1. Rotation as practiced by CIA basically involves the cycling of PI's [redacted] no more frequently than every [redacted]

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two years. These men never really leave their professional pursuits or, in many cases, their specialized fields, and therefore I simply cannot view with any real concern the negative effects this policy might have on the general competence or continuity of the Agency contribution to the photo analysis effort of the Center.

2. A mix of experience between jobs on the national production line and a departmental element, such as the CIA detachment which is working primarily on strategic level problems, not only provides variety and stimulation for the PI but diversifies his experience and, over the long run, makes him a better and more acute viewer of the products over which he must labor.

3. The high degree of expertise and knowledge of this group, to which you refer in your letter, was developed over the period of time during which they participated, not only in the rotation policy, but indeed for part of the period performed national work on an ad hoc basis. The variety of experience gained by them has proven to be an asset rather than a liability.

4. So-called off-the-job training is a frequent and recurring must in this business and cannot be done at the expense of the national effort. PI's should be trained while serving in their parent organization so as not to detract from the productive capacity of the national activity.

5. We must prepare not simply for today but for the long run and by developing and equipping, as rapidly as possible, this CIA detachment to meet both national and departmental objectives, we will have created a hard core and long-term asset, the members of which can look forward to varying and stimulating experiences throughout their careers.

The above factors, coupled with the experience of Lundahl, his senior managers and indeed his senior PI's, most of whom have worked between 10 and 20 years in the business in a wide variety of military

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and civilian organizations, lead me to believe NPIC is embarked on a prudent course. I would differ with the view expressed in paragraph 3 of your letter as to the fact that the irreplaceable degree of expertise and knowledge developed by the present PI staff has been the primary reason why NPIC has been so effective. Instead, I would say that while this has been a most important reason, other equally important factors have been the concepts of organizing and operating a mass, rapid response, team-oriented production effort developed by the management of NPIC and the literal revolution they have brought about in the methodology of performing PI work, the integration of collateral data, on-line computer-driven mensuration techniques, and the host of other innovations which they have brought to the business. I think this management has proved itself not just abreast, but ahead of the times and their reasoning on the particular issue in point here convinces me to go along with them. I appreciate and most certainly share your concern over any development at NPIC which would appear on the surface to militate against maximum and continuing high-quality production, but I see no danger of this in a continuation of the current rotation policy.

You have my assurance that maintenance of the integrity and high standards of NPIC will be protected, continued, and improved.

Faithfully yours,

(Signed) Marshall S. Carter

Marshall S. Carter
Lieutenant General, USA
Deputy Director

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CENTRAL INTELLIGENCE AGENCY

OFFICE OF THE DEPUTY DIRECTOR

Hank:

If convenient, I
would like to talk to
Art Lendahl about this -
and maybe afterwards
have a meeting with others -
if Art's in town, let me
see him Mon or Tue -

[Signature]

Kirk:

I've talked at length
with [] of NPIC - There
is a 'DIA' plot of some sort
developing here - may / sign
This reply now. Pat

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Remarks:

I think this is a good letter and should be signed.

DIA will continue to push a campaign to get control of NPIC based on: ① speed of responsiveness to DOD requests; and, closely related, ② the fact that it does not have command over NPIC.

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FROM: NAME, ADDRESS AND PHONE NO.	DATE
	30 Dec